



**OFFICE OF THE PUBLIC AUDITOR**  
**REPUBLIC OF PALAU**

**PERFORMANCE AUDIT REPORT**

ON

**JAPAN'S GRANT ASSISTANCE FOR IMPROVING  
LABORATORY EQUIPMENT AND  
PROCUREMENT OF A NEONATAL UNIT**

**BELAU NATIONAL HOSPITAL  
MINISTRY OF HEALTH  
REPUBLIC OF PALAU**

**PERIOD COVERED**

DECEMBER 22, 2010 TO DECEMBER 21, 2011

AND

OCTOBER 3, 2013 TO OCTOBER 2, 2014

*Performed by the Office of the Public Auditor*

JPMOH-11&14-01P\*opa09



Office of the Public Auditor

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December 24, 2014  
*Serial#: opa15-037au*

Honorable Gregorio Ngirmang  
Minister  
Ministry of Health  
Koror, Republic of Palau

**Subject: Final Report on the Audit of Japan's Grant Assistance for Grassroots Human Security Projects for the Belau National Hospital/Ministry of Health.**

Dear Minister Ngirmang:

This report presents the results of our audit of Japan's Grant Assistance to the Belau National Hospital for Projects for Improving Laboratory Equipment and Procurement of a Neonatal Unit.

The Office of the Public Auditor (OPA) received your response to the Draft Audit Report. The response is published verbatim in the final report.

If you have any questions regarding the report or subject matters discussed therein, the OPA will be available to discuss such matters at your request.

Sincerely,



Satruning Tewid  
Public Auditor, ROP

# **Japan's Grant Assistance for Improving Laboratory Equipment and Procurement of a Neonatal Unit**

**Belau National Hospital  
Ministry of Health  
Republic of Palau**

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December 24, 2014

Honorable Gregorio Ngirmang  
 Minister, Ministry of Health  
 Republic of Palau

Dear Minister Ngirmang:

At the request of the President of the Republic of Palau, the Office of the Public Auditor initiated audits of the three of Government of Japan's Grant Assistance for Grass-Roots Human Security Projects to the Belau National Hospital /Ministry of Health. The three grants awarded to the Belau National Hospital were intended to fund Projects for Improving Laboratory Equipment, Procuring Anesthesia Machine, and Procurement of a Neonatal Unit.

The Embassy of Japan awarded the following grants to the Hospital:

Project Title	Amount of Funding	Year of Project
Laboratory Equipment	\$ 86,100.00	December 22, 2010 through December 21, 2011
Anesthesia Machine	\$ 108,104.00	March 6, 2013 through March 5, 2014
Neonatal Unit	\$ 101,406.00	October 3, 2013 through October 2, 2014

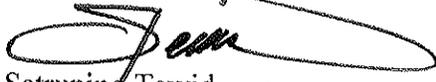
The audit only covered the grants for Laboratory Equipment and Neonatal Unit; the grant awarded for Anesthesia Machine has not been completed and therefore will be issued separately.

The objective of the audit is to determine whether Belau National Hospital administered the grant funds in compliance with the terms and conditions of the Grant Contract.

The Office of the Public Auditor reviewed the administration of the grant funds in respect to the procurement procedures used, receipt and disbursement of funds, reporting mechanisms, and other activities performed pursuant to the Grant Contract. The findings below disclose weaknesses and deficiencies that constitute non-compliance with the terms and conditions of the Grant Contract. We believe that these findings should be brought to the attention of management for appropriate corrective action. We also propose recommendations that, if implemented, we believe, will correct these weaknesses and deficiencies.

Office of the Public Auditor would like to thank the staff and management of the Belau National Hospital for the professional courtesy and cooperation extended to us during the audit.

Sincerely,



Satrunino Tewid  
Public Auditor, ROP

## **Background**

To alleviate the many challenges facing developing countries including poverty, starvation, infectious diseases, climate change and environmental issues, the Government of Japan established the Grant Assistance for Grass-Roots Human Security Projects (GGP). The purpose of the projects is to assist non-government organizations and local public authorities in responding to various developments needs in a prompt and complete manner.

Consistent with GGP's guidelines, the Belau National Hospital (BNH) applied and was approved for financial assistance for the procurement of laboratory Equipment and Neonatal Unit. In accordance with the grant requirements, the BNH entered into a Grant Contract with the Embassy of Japan in Palau (Japanese Embassy) for the Project for Improving Laboratory Equipment and the Project for Procurement of Neonatal Unit. Both projects were to be completed within one year after the contract date.

The grants to Improve Laboratory Equipment and Neonatal Unit were to procure the following:

### **LABORATORY EQUIPMENT**

<b>Item</b>	<b>Quantity</b>
Hematology Equipment Pentra XL80	1
Hematology Equipment Freight	1
Training from manufacturer	1
Chemistry Equipment EasyRA Analyzer	1
Chemistry Equipment Freight	1
Installation Cost for two equipments	1

### **NEONATAL UNIT**

<b>Item</b>	<b>Quantity</b>
Infant Care Center	2
Infant Incubator	2
Phototherapy Unit	2

Neonatal Laryngoscope	1
Pediatric Laryngoscope	1
Suction Unit	1
Infant Oxygen Hood	1
Neonatal Blood Pressure Cuff	2
Infant Blood Pressure Cuff	2
Neonatal Weight Scale	1
Neonatal Measuring Scale	1
Installation and Training	1



**Under the terms of the Grant Contracts, BNH agreed to:**

- A. Provide to the Japanese Embassy the official receipt of the grant received;
- B. Provide procurement contracts for product or services upon request by the Japanese Embassy;
- C. Use the grant properly and exclusively for the purchase of the product and services necessary for the execution of the project;
- D. Provide the Japanese Embassy with:
  - Project completion reports and
  - Any other reports that the Japanese Embassy requested;
- E. Complete the Projects within one year after the contract date;
- F. Consult with and receive instructions from the Japanese Embassy in case BNH wished to:
  - 1. Change from the original plan in the application how the grant was to be spent,

2. Change the contents of the Project,
  3. Suspend or terminate the Project,
  4. Extend the completion date of the Project, or
  5. Return the grant to donor;
- G. Keep accounting documents that verified how the grant was spent for at least one year and five years after the completion of the Laboratory Equipment and Neonatal Unit Project, respectively;
- H. Bear all responsibility for deaths, injuries, diseases, any other damage or harm to BNH personnel or patients in the course of the execution of the Project and agree that the Japanese Embassy would be responsible for no such damage or harm;
- I. Consult promptly with the Japanese Embassy on all matters which could affect the execution of the Project; and
- J. Recognize that the Japanese Embassy reserved the right to claim a refund or terminate the grant if BNH used the grant for purposes other than the execution of the Project, or suspended or terminated the Project.

## **Objective, Scope, and Methodology**

The objective of the audit is to determine whether BNH administered the grant funds in compliance with the terms and conditions of the Grant Contract. The audit covered the period from December 22, 2010 through December 21, 2011 for the Laboratory Equipment Project and October 3, 2013 through October 2, 2014 for the Neonatal Unit Project. The audit, however, will cover other periods as necessary if the Project and associated funding was not completed or expended respectively within those periods.

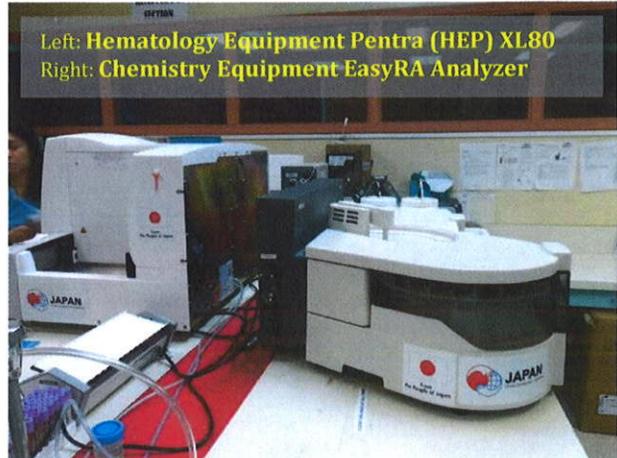
As this is a performance audit, the Office of the Public Auditor (OPA) did not conduct audit procedures to assess the fairness of the financial statements of the hospital or any components or accounts within those financial statements and therefore expresses no opinion on the financial statements. In addition, as the grant was not administered through the National Treasury of the Republic of Palau (ROP), and therefore the ROP Procurement Law and Regulations did not apply, the OPA did not assess compliance with the ROP Procurement Law and Regulations.

We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained does provide a reasonable basis for our findings and conclusions based on our audit objectives.



The Public Auditing Act of 1985 expressly empowers the OPA to act to prevent fraud, waste, and abuse in the collection and expenditure of public funds. The Public Auditor may make recommendations on the prevention and detection of fraud, waste, and abuse of public funds.

To accomplish our objective we reviewed Project documents maintained at the BNH and the Japanese Embassy. We met and discussed the Projects with the International Health Coordinator for the MOH and the GGP Grants Coordinator for the Japanese Embassy. We also conducted on-site visits of BNH to inspect the Laboratory Equipment and the Neonatal Unit.



BNH complied for the most part with the terms and conditions of the grants as memorialized in the Grant Contracts for both Laboratory Equipment and Neonatal Unit Projects. We found, however, four areas where improvements could be made to improve and strengthen the administration of grant funds as detailed below:



## FINDINGS AND RECOMMENDATIONS

### Finding No. 1: Laboratory Equipment

Part F of the Grant Contract required that BNH consult with and receive instructions from Japanese Embassy if it wished to change how the grant is spent from the original plan in the application or change the contents of the Project.

On January 24, 2011, the BNH received \$86,100 for the purchase of Laboratory equipment. We found that the BNH followed the procurement procedures required by the Grant Contract in awarding the contract and purchasing the equipment. The BNH purchased the equipment listed in Table 1 below:

**Table 1: List of Equipment Purchased**

Item	Quantity	Cost
Hematology Equipment Pentra XL80	1	\$ 36,970.00
Hematology Equipment Freight	1	3,200.00
Training from Manufacturer	1	7,000.00
Chemistry Equipment EasyRa Analyzer	1	28,400.00
Chemistry Equipment Freight	1	1,500.00
Installation Cost for two equipments	1	3,350.00
Subtotal		\$ 80,420.00
Grant amount		\$ 86,100.00
<b>Unexpended Funds</b>		<b>\$ 5,680.00</b>

We found that the BNH spent \$80,420 to purchase the itemized laboratory equipment, after which \$5,680 of the grant funds remained unexpended. BNH proceeded to expend these funds without consulting with the Japanese Embassy as required under Part F of the Grant Contract.

According to the International Health Coordinator for the MOH, the \$5,680 was used to supplement \$9,412.83 of the BNH's funds to purchase \$15,092.83 of Laboratory supplies and accessories. In all, the BNH spent \$95,512.83 on laboratory equipment and accessories, of

which \$86,100 was sourced from the grant and \$9,412.83 came from the BNH's own funds. Please refer to Exhibit 1 for itemized listing of equipment, supplies and accessories.

We were unable to determine why the BNH did not consult with the Japanese Embassy when it decided to use the unexpended grant balance of \$5,680 to purchase laboratory supplies and accessories. Moreover, the list of equipment annexed to the Grant Contract did not include the laboratory supplies and accessories purchased with these funds. However, we found no documentation showing that BNH consulted with the Embassy regarding these changes.

Accordingly, the OPA found that BNH changed how the grant was spent from the original plan and the contents of the Project but failed to consult with the Japanese Embassy in accordance with Part F of the Grant Contract.

As previously mentioned, on January 24, 2011, the BNH received \$86,100 for the purchase of Laboratory equipment. We found that the money was deposited into a local bank and that BNH obtained authorization from the Japanese Embassy for each withdrawal made and paid to the vendor. Table 2 below lists each withdrawal and payment made to the vendor:

**Table 2: Withdrawal and Payments made to vendor for laboratory equipment and accessories:**

Date	Check No.	Amount
3/29/11	101	\$ 8,610.00
6/20/11	102	34,440.00
9/23/11	103	43,050.00
	<b>Total</b>	<b>\$ 86,100.00</b>

### **Installation and Training**

The laboratory equipment purchased with grant funds – the Chemistry Analyzer and Hematology Analyzer -- were installed on June 3, 2011 and training was conducted from June 3-4, 2011 for Bio Med Technicians and Key Operators. Training by the manufacturer was also conducted from June 5-8 for Bio Med and other key personnel.

BNH began implementation of the Laboratory Equipment Project on or about December 22, 2010 and completed it on September 23, 2011. BNH then submitted the completion report.

Thus, the Project was completed within the one-year timeframe required by the Grant Contract.

**Recommendation:** We commend BNH for substantially complying with the terms and conditions of the Grant Contract in executing the Project for Improving Laboratory Equipment for the Hospital. However, we recommend that in the future, the BNH consult with the Japanese Embassy when it anticipates deviating from the original plans or contents of a Project.

**Auditee’s Response:** We concur with the finding.

**Corrective Action Plan:** We will ensure that we will obtain prior approval from the Grantor before we make any changes in the specifications of the projects.

**Finding No. 2: Neonatal Unit**

On October 11, 2013, BNH received grant funds in the amount of \$101,406 for the Project for Procurement of a Neonatal Unit memorialized in a Grant Contract executed on October 3, 2013 between the Japanese Embassy and BNH. We found that BNH followed the procurement procedures required by the Grant Contract in awarding the contract and purchasing the equipment. The BNH purchased the equipment listed in Table 3 below:



**Table 3: Neonatal Unit**

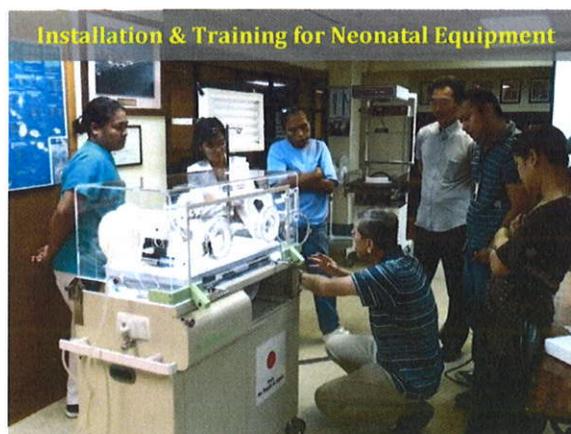
Description	Quantity	Unit Price	Total Price
Infant Incubator Model H-2000 LCS-ICU with I.V. pole and Metal Fitting	2	18,800.00	37,600.00
Phototherapy Unit Model PT-2000H with Blue-light fluorescent lamp	2	5,500.00	11,000.00
Infant Care Center Model NIW-3500	2	19,000.00	38,000.00
Fiber Optic Laryngoscope set Cat No. 5110F-1 I111F-0 Battery Handle, small x1, Macintosh Blade 80mm x1, Spare lamp x1, Case x1	1	540.00	540.00

Fiber Optic Laryngoscope set Cat No. 5110F-11111F-1-2 Battery Handle, small x1, Macintosh Blade 92mm and 100mm x1, Spare lamp x1, Case x1	1	760.00	760.00
Portable Suction Unit Model Minic-S-II MS2-1400	1	980.00	980.00
Suction bottle, plastic x 1 pc.	1	58.00	58.00
Rubber packing for suction bottle (5 pcs/pack) x 1 pack	1	70.00	70.00
Suction tube with adaptor x 2 pcs.	1	22.00	22.00
Infant Oxygen Hood Model R-123	1	1,340.00	1,340.00
Cuff for neonatal sphygmomanometer	2	78.00	156.00
Cuff for neonatal sphygmomanometer 78 x 145mm	2	100.00	200.00
Digital Baby Weighing Scale Model 1583	1	280.00	280.00
Infant umgth Scale Model HXIII	1	400.00	400.00
Installation and Training	1	10,000.00	10,000.00
		Total	\$101,406.00

We found that the money was deposited into a local bank and that BNH obtained authorization from the Japan Embassy for the withdrawal made and paid to the vendor. As required by the sales contract, the whole payment was made upfront via a wire transfer from Bank of Hawaii to the vendor on November 11, 2013 in the amount of \$101,406.00.

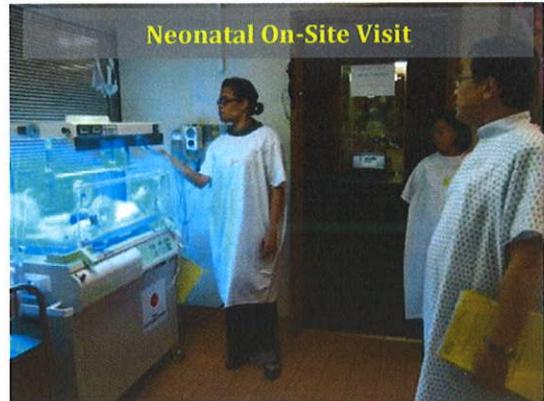
**Installation and Training** Installation and Training was conducted by Mr. Masao Ogura from Japan Tajikistan Commerce Support Ltd. on February 17-19, 2014, and included doctors, nurses and staff from the MOH's Bio Engineering department.

BNH implemented the Project from October 3, 2013 through October 2, 2014, thus completing the Project within the one-year period required by the Grant Contract. BNH



submitted the completion report on March 5, 2014.

**Recommendation:** We commend BNH for complying with the grant terms and conditions as stated in the Grant Contract. Complying with the terms and conditions in executing the project builds upon the Belau National Hospital's reputation and credibility as a grant recipient for future grant applications.



**Auditee's Response:** We concur with the finding.

### **Finding No. 3: Recording and Tagging of Equipment**

A sound system of internal controls dictates that all capital assets of the ROP be recorded in its accounting records and tagged to reflect proper ownership of the assets and ensure the accuracy of financial statements. This applies whether the assets are purchased through local funds, grants, or otherwise.

BNH administered the Laboratory Equipment and Neonatal Unit Grants outside of the National Treasury and its normal internal controls and procedures including recording equipment purchases in the accounting records of the ROP and tagging the purchased items as property of the ROP.

Although the BNH was required to administer the grant in accordance with the Grant Contracts, the Contracts contained no language that prevented BNH from ensuring that documents regarding the purchases were transmitted to the Bureau of National Treasury for the recording of the equipment into the ROP's accounting system and its tagging as ROP property.

As result, equipment procured with the grant funds from the Japanese Embassy (Laboratory Equipment and Neonatal Unit) were not recorded or tagged as fixed assets of the ROP.

**Recommendation:** We recommend that, within a reasonable period of time, BNH transmit records of all transactions conducted under the Laboratory Equipment and Neonatal Unit Projects, whether for procurement of equipment or otherwise, to the Bureau of National Treasury for recording into the ROP's accounting system and, if equipment, for proper tagging as ROP property.

**Auditee's Response:** We concur with the finding.

**Corrective Action Plan:** We are working with Ministry of Finance, Bureau of Property and Supply to have all assets issued government tags by the end of the month.

#### **Finding No. 4: Reporting**

Terms and Conditions of a grant should be clearly stated in the Grant Contract to avoid confusion and ensure that parties to the contract are aware of their responsibilities and obligations.

According to GGP Rules and Regulations, all grant assistance is required to be audited after the completion of the Project. However, the Rules provide an exception for public institutions that are required by law to undergo annual or regular auditing. If a GGP project can be included in such an audit, no additional audit is considered necessary; the auditing report otherwise required “may be replaced by the copy of the annual auditing report submitted” by the grant recipient.” (GGP Rules and Regulations, Part 6 – Cases That Do Not Require External Audits.)

The Grant Contracts for the Laboratory Equipment and Neonatal Unit Projects do not expressly require audits after completion of the Projects. According to the Grant Coordinator for the Japanese Embassy, the provision for required audits was not included because she believed that Part 6 applied to grants to the BNH. However, because the Grants were administered outside of the ROP National Treasury, Grant activities were not covered in the annual, regular audit of the national government.

Thus audits of the Projects were not conducted due to an absence of clearly defined audit requirements in the Grant Contracts and a lack of communication with BNH regarding GGP rules and regulations. For this reason, BNH was not aware of the audit requirement and submitted no audit reports for the Laboratory Equipment and Neonatal Unit Grants after the Projects were completed.

**Recommendation:** We recommend that the Japanese Embassy consider administering the Grant Assistance for Grass-roots Human Security Projects through the ROP National Treasury so that Project (grant) activities can be covered in the annual audit of the ROP, and therefore avoid separate audits for each Project. If this is not feasible or practical, then each Grant Contract should clearly define the audit requirement so that BNH becomes aware of its responsibilities and obligations to the Grant Contract.

**Auditee’s Response:** We concur with the finding.

## Finding No. 5: Equipment in Operation

### Laboratory Equipment:

As previously mentioned, the equipment purchased with Laboratory Equipment Grant fund was installed on June 3, 2011, and training of essential staff followed thereafter. According to laboratory technicians, the purchase of the Hematology and Chemistry Analyzers has greatly improved the reliability and accuracy of blood tests results as well as providing new previously unavailable tests that help the clinicians in the diagnosis of diseases.

According to reports from the BNH, since January through November 2014, the Laboratory Division has completed the following tests with the equipment:

#### Total Test Counts for EasyRa/Pentra XL80 from Jan to Nov 2014

Belau National Hospital Lab  
P.O Box 6027  
Koror, Palau 96940  
(680) 488-2552 ext.197

Test Name	Patient	Cal	QC	Total
Albumin	312	11	418	741
ALT (SGPT)	934	0	405	1339
Amylase	196	0	415	551
AST (SGOT)	930	0	471	1401
Blood Urea Nitrogen	1147	33	427	1607
Calcium	404	20	443	867
Cholesterol Total	1037	12	435	1484
Creatine Kinase	175	0	389	564
Chloride	48	787	448	1283
Creatinine	1664	14	438	2116
Glucose	1440	9	360	1809
High Density Lipoprotein	914	13	402	1329
Potassium	2489	787	450	3726
Lactate Dehydrogenase	188	0	425	613
LDL Cholesterol	772	12	314	1098
Lithium	25	787	343	1155
Magnesium	187	62	355	604
Sodium	2102	787	453	3342
Inorganic Phosphorus	262	12	455	729
Total Bilirubin	133	38	386	557
Total Protein	196	12	424	632
Triglyceride	988	14	450	1452
Uric Acid	686	9	415	1110
				30,109

#### For Pentra XL80

CBC Complete Blood Count	22,000	3	6360	28,363
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The BNH was still compiling the report for tests conducted for the period subsequent to the installation of the Laboratory equipment to December 31, 2013, and therefore the figures were unavailable for publishing in this report.

We conducted on-site inspection at the Laboratory Division at BNH. We found that the equipment was properly configured and, as explained by the head technician, to be in good



working order with the exception of the printer for the equipment. According to the technician, the toner for the printer needs to be replaced and the procurement division is in the process of placing an order. The printer is a vital component of the assembly; it allows lab technicians to print results of tests conducted rather than manually transcribing test results to log, which exposes the process to potential transcribing errors.

### **Neonatal Unit**

The Neonatal Unit was installed on February 17-19, 2014. According to a report from the BNH Obstetrics Division, since the installation of the unit, eight (8) premature babies and 121 normal babies were treated and cared for using the equipment purchased with funds from the Neonatal Unit Grant. We conducted on-site inspection and found the Neonatal Unit; at the time of the inspection, one baby was being cared for.



The BNH report concludes: “The Grassroots grant provided by the Japan Embassy proved timely as soon as the Neonatal Equipment was installed and medical staff were trained the very next day, an emergency premature infant was born. The infant was saved and is now a happy and healthy baby.”

**Auditee’s Response:** We concur with the finding.

### **Conclusion**

The Japanese Embassy through Grant Assistance for Grass-Roots Human Security Projects (GGP) awarded two grants to the Belau National Hospital: (1) Project for Improving Laboratory Equipment and (2) Project for Procurement of a Neonatal Unit. The BNH and the Japanese Embassy entered into separate Grant Contracts for the execution of each project.

We found that BNH complied substantially with the terms and conditions of both Grant Contracts in the receipt and disbursement of the grant funds and the procurement of Laboratory Equipment and Neonatal Unit.

We verified that the Laboratory Equipment and the Neonatal Unit are operating at the BNH and providing essential medical tests, treatment and care to Palauans and residents of Palau.

# EXHIBIT I

PLEASE REMIT TO:

## Modern Laboratory Services, Inc.

4300 STINE RD., BLDG #209 • BAKERSFIELD, CA 93313-2352  
 TELEPHONE (661) 835-9000 • FAX (661) 835-9020  
 TOLL FREE (800) 944-4062 • TOLL FREE FAX (800) 944-4032

www.modernlab.com

## INVOICE

04/25/11	11041608
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REP969

FROM: **MLS**  
 4300 STINE RD., BLDG #209  
 BAKERSFIELD, CA 93313-2352

SOLD TO: Republic of Palau  
 Attn: Tasya Worswick  
 Procurement Office  
 PO BOX 6027 Koror 96940  
 Palau

SHIP TO: MINISTRY OF HEALTH/ATTN: SWEEN  
 YAMADA HEALTH ADMINISTRATOR  
 MEYUNS AVE #45 PO BOX 6027  
 KOROR PALAU 96940

ORDER NO.	ORDER DATE	ACCOUNT NUMBER	SALES PERSON	PURCHASE ORDER NO.	SHIP VIA	DATE SHIPPED	TERMS
15367	03/14/11		CIM	114602	DROP SHIP	04/08/11	NET 30 DAYS
QUANTITY ORDERED	QUANTITY SHIPPED	QUANTITY BACK ORDERED	ITEM NO.	DESCRIPTION	UNIT PRICE	EXTENDED PRICE	
1	1		ME10360-EA	SDS EasyRA ANALYZER ISE & LIS ONLY 03102509 WITHOUT COMPUTER, MONITOR & START-UP KIT **DROPSHIPED DIRECT FROM MANUFACTURER**	28,400.00	28,400.00	
1	1		ME10999-EA	SDS EasyRA COMPUTER w/KEYBRD&MOUSE **DROPSHIPED DIRECT FROM MANUFACTURER**	0.00	0.00	
1	1		ME10998-EA	SDS EasyRA TOUCH SCREEN MONITOR **DROPSHIPED DIRECT FROM MANUFACTURER**	0.00	0.00	
1	1		ME10991-EA	SDS EasyRA CHEM & ISE START-UP KIT **DROPSHIPED DIRECT FROM MANUFACTURER**	0.00	0.00	
1	1		INSTALLATION=	SDS INSTALLATION OF BOTH ANALYZERS BY PBSI	3,350.00	3,350.00	
1	1		PRE-PAID CREDIT=	SDS CREDIT TO BE DEDUCTED FROM REAGENT ORDER	2,416.37	2,416.37	
--- THIS WAS A DROP SHIPMENT ---  P.O.# 114602  *** THANK YOU FOR YOUR ORDER ***							

SOMETHING MISSING? PLEASE NOTIFY US WITHIN 7 DAYS.

NUMBER OF CARTONS SHIPPED: \_\_\_\_\_  
 ORDER PACKED BY: \_\_\_\_\_

DISCREPANCIES or PROBLEMS NOT  
 REPORTED WITHIN 7 DAYS ARE  
 SUBJECT TO A 20% RESTOCK FEE



SALE AMOUNT	34,166.37
SALES TAX	0.00
SHIP HANDLING	1,500.00
<b>TOTAL DUES</b>	<b>35,666.37</b>

PLEASE REMIT TO:

# Modern Laboratory Services, Inc.

4300 STINE RD., BLDG #209 • BAKERSFIELD, CA 93313-2352  
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www.modernlab.com

# INVOICE

DATE	INVOICE NUMBER
04/27/11	11041825

REP969

FROM: **MLS**  
 4300 STINE RD., BLDG #209  
 BAKERSFIELD, CA 93313-2352

SOLD TO:  
 Republic of Palau  
 Attn: Tasya Worswick  
 Procurement Office  
 PO BOX 6027 Koror 96940  
 Palau

SHIP TO:  
 MINISTRY OF HEALTH/ATTN: SWEEN  
 YAMADA HEALTH ADMINISTRATOR  
 MEYUNS AVE #45 PO BOX 6027  
 KOROR PALAU 96940

ORDER NO.	ORDER DATE	ACCOUNT NUMBER	SALES PERSON	PURCHASE ORDER NO.	SHIP VIA	DATE SHIPPED	TERMS	
15379	03/14/11		CIM	114602	DROP SHIP	04/27/11	NET 30 DAYS	
ORDERED	QUANTITY	SHIPPED	BACK ORDERED	ITEM NO./DESCRIPTION			UNIT PRICE	EXTENDED PRICE
1	1			AEXPXL80=EA SW PENTRA 80XL HEMATOLOGY ANALYZER 010PXL4429			36,970.00	36,970.00
1	1			TRAINING= SW TRAINING			7,000.00	7,000.00
--- THIS WAS A DROP SHIPMENT --- P.O.# 114602 *** THANK YOU FOR YOUR ORDER ***								

SOMETHING MISSING? PLEASE NOTIFY US WITHIN 7 DAYS.

DISCREPANCIES or PROBLEMS NOT  
 REPORTED WITHIN 7 DAYS ARE  
 SUBJECT TO A 20% RESTOCK FEE

NUMBER OF CARTONS SHIPPED: \_\_\_\_\_  
 ORDER PACKED BY: \_\_\_\_\_



SALE AMOUNT	43,970.00
SALES TAX	0.00
SHIP HANDLING	3,200.00
TOTAL DUES	47,170.00

PLEASE REMIT TO:

# Modern Laboratory Services, Inc.

4300 STINE RD., BLDG #209 • BAKERSFIELD, CA 93313-2352  
 TELEPHONE (661) 835-9000 • FAX (661) 835-9020  
 TOLL FREE (800) 944-4062 • TOLL FREE FAX (800) 944-4032

www.modernlab.com

# INVOICE

DATE	INV NUMBER
05/18/11	11051200

REP969

FROM: **MLS**

4300 STINE RD., BLDG #209  
 BAKERSFIELD, CA 93313-2352

SOLD TO: Republic of Palau  
 Attn: Tasya Worswick  
 Procurement Office  
 PO BOX 6027 KOROR 96940  
 PALAU

SHIP TO: MINISTY OF HEALTH/ATTN: SWEEN  
 YAMADA HEALTH ADMINISTRATOR  
 MEYUNS AVE #45 PO BOX 6027  
 KOROR PALAU 96940

ORDER NO.	ORDER DATE	ACCOUNT NUMBER	BALANCE PERSON	PURCHASE ORDER NO.	SHIP VIA	DATE SHIPPED	TERMS
15441 36	03/14/11		C1M	114602	DROP SHIP	05/05/11	NET 30 DAYS
QUANTITY		ITEM NO. / DESCRIPTION		UNIT PRICE	EXTENDED PRICE		
8	8		ABX0906003-EA X5C BASOLYSE II LYSE 1L	137.25	1,098.00		
6	6		ABX0903010-EA X5D PENTRACLEAN CLEANER 1L	29.48	176.88		
5	5		ABX0901020-EA K2A PENTRADIL DILUENT 20L	80.03	400.15		
5	5		ABX0206010-EA N1B EOSINOFIX 1L	137.25	686.25		
5	5		ABX0906013-EA N1B LYSEBIO LYSING REAGENT 400mL REPLACES 906004 AND 906014 FOR USE ON PENIRA 60/80	101.87	509.35		
2	2		ABX0401005-EA X4D MINOCLAIR BLEACH CLEANER 500mL	17.57	35.14		
1	1		REAGENT CREDIT- X4D REAGENT CREDIT	158.94	-158.94		
--- THIS WAS A DROP SHIPMENT --- P.O.# 114602 *** THANK YOU FOR YOUR ORDER ***							

SOMETHING MISSING? PLEASE NOTIFY US WITHIN 7 DAYS.

DISCREPANCIES or PROBLEMS NOT  
 REPORTED WITHIN 7 DAYS ARE  
 SUBJECT TO A 20% RESTOCK FEE

NUMBER OF CARTONS SHIPPED: \_\_\_\_\_  
 ORDER PACKED BY: \_\_\_\_\_



SALES AMOUNT	2,746.83
SALES TAX	0.00
SHIP HANDLING	0.00
TOTAL DUES	2,746.83

PLEASE REMIT TO:

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 www.modernlab.com

## INVOICE

DATE	INV. NUMBER
05/20/11	11051373

REP969

FROM: **MLS**

4300 SIENE RD., BLDG #209  
 BAKERSFIELD, CA 93313-2352

SOLD TO:

Republic of Palau  
 Attn: Tasya Worawick  
 Procurement Office  
 PO BOX 6027 KOROR 96940  
 PALAU

SHIP ALICIA CARUSO  
 TO: 125 CHALAN PRENSEPAT  
 SUMMER PALACE SUBDIVISION  
 DEDEDO GUAM 96929

ORDER NO.	ORDER DATE	ACCOUNT NUMBER	SALES REGION	PURCHASE ORDER NO.	SHIP VIA	DATE SHIPPED	TERMS		
	05/10/11		CIM	P10053	EXP MAIL	05/20/11	NET 30 DAYS		
QUANTITY		ITEM NO. / DESCRIPTION					UNIT PRICE	EXTENDED PRICE	
ORDERED	SHIPPED	BACK ORDERED							
MARK EXPRESS MAIL LABEL NO SIGNATURE REQUIRED									
2	2		ME10218-4=PK	ALB EasyRA 4x39mL		70.70	141.40		
3	3		ME10214-4=PK	ALP EasyRA 4x27mL/6mL		96.00	288.00		
2	2		ME10205-4=PK	SGPT (ALT) EasyRA 4x31mL; 7mL		101.90	203.80		
1	1		ME10217-4=PK	AMY EasyRA 4x39mL		347.20	347.20		
2	2		ME10206-4=PK	SGOT (AST) EasyRA 5x31mL; 7mL		101.90	203.80		
2	2		ME10202-4=PK	BUN EasyRA 4x39mL		132.60	265.20		
3	3		ME10210-4=PK	CA EasyRA 4x29mL/9mL		77.30	231.90		
2	2		ME10204-4=PK	CHOL EasyRA 4x39mL		120.00	240.00		
2	2		ME10222-4=PK	CK EasyRA 4x23mL/6mL		238.00	476.00		
4	4		ME10203-4=PK	CREA EasyRA 4x29mL/10mL		198.30	793.20		
6	6		ME10200-4=PK	GLU-H EasyRA 4x39mL		103.80	622.80		
1	1		ME10211-4=PK	HDL EasyRA 4x29mL/10mL		450.00	450.00		
2	2		ME10215-4=PK	LDH EasyRA 4x29mL/8mL		104.00	208.00		

SOMETHING MISSING? PLEASE NOTIFY US WITHIN 7 DAYS.

DISCREPANCIES or PROBLEMS NOT  
 REPORTED WITHIN 7 DAYS ARE  
 SUBJECT TO A 20% RESTOCK FEE

NUMBER OF CARTONS SHIPPED: \_\_\_\_\_  
 ORDER PACKED BY: \_\_\_\_\_



CUSTOMER COPY

SALE AMOUNT	
SALES TAX SHIP & HANDLING	
TOTAL DUE \$	

PLEASE REMIT TO:

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**INVOICE**

DATE	INV. NUMBER
05/20/11	11051373

REP969

FROM: **MLS**  
 4300 SINE RD., BLDG #209  
 BAKERSFIELD, CA 93313-2352

SOLD TO: Republic of Palau  
 Attn: Tasya Worswick  
 Procurement Office  
 PO BOX 6027 KOROR 96940  
 PALAU

SHIP TO: ALICIA CARUSO  
 125 CHALAN PRENSEPAT  
 SUMMER PALACE SUBDIVISION  
 DEDEDO GUAM 96929

ORDER NO.	ORDER DATE	ACCOUNT NUMBER	SALES PERIOD	PURCHASE ORDER NO.	SHIP VIA	DATE SHIPPED	TERMS
	05/10/11		CLM	P10053	EXP MAIL	05/20/11	NET 30 DAYS
QUANTITY		ITEM NO. / DESCRIPTION				UNIT PRICE	EXTENDED PRICE
ORDERED	SHIPPED						
1	1	ME10224-4=PK LDL EasyRA 4x29mL/10mL				700.00	700.00
3	3	ME10220-4=PK MG EasyRA 4x29mL/9mL				88.80	266.40
2	2	ME10221-4=PK PHOS EasyRA 4x29mL/6mL				100.10	200.20
2	2	ME10207-4=PK TBIL EasyRA 4x29mL/8mL				124.65	249.30
3	3	ME10213-4=PK TP EasyRA 4x24mL				67.70	203.10
2	2	ME10216-4=PK TRIG EasyRA 4x37mL				156.40	312.80
2	2	ME10208-4=PK URIC EasyRA 4x39mL				137.00	274.00
2	2	ME10651=PK CHEM CALIBR EasyRA 12x3mL				173.35	346.70
1	1	ME10653=PK HDL CALIBR CHEM EasyRA 6x1mL				240.00	240.00
1	1	ME10655=PK LDL CALIBR CHEM EasyRA 6x1mL				333.35	333.35
2	2	ME10793=PK CONTROL LEV A EasyRA 12x5mL				368.00	736.00
2	2	ME10794=PK CONTROL LEV B EasyRA 12x5mL				368.00	736.00
1	1	ME10660=PK CLEANER CHEM&ISE EasyRA 4x29mL				104.00	104.00
1	1	ME10670=PK SURFACTANT EasyRA 12x10mL				192.00	192.00
1	1	ME10754=EA PRECISION TEST DYE KIT EasyRA				56.00	56.00

SOMETHING MISSING? PLEASE NOTIFY US WITHIN 7 DAYS.

DISCREPANCIES or PROBLEMS NOT REPORTED WITHIN 7 DAYS ARE SUBJECT TO A 20% RESTOCK FEE

NUMBER OF CARTONS SHIPPED: \_\_\_\_\_  
 ORDER PACKED BY: \_\_\_\_\_



CUSTOMER COPY

SALE AMOUNT	
SALES TAX SHIP & HANDLING	
<b>TOTAL DUE \$</b>	

PLEASE REMIT TO:

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**INVOICE**

DATE	INV NUMBER
05/20/11	11051373

REP969

FROM: **MLS**  
 4300 SHINE RD., BLDG #209  
 BAKERSFIELD, CA 93313-2362

SOLD TO: Republic of Palau  
 Attn: Tasya Worwick  
 Procurement Office  
 PO BOX 6027 KOROR 96940  
 PALAU

SHIP ALICIA CARUSO  
 TO: 125 CHALAN PRENSEPAT  
 SUMMER PALACE SUBDIVISION  
 DEDEDO GUAM 96929

ORDER NO.	ORDER DATE	ACCOUNT NUMBER	SALES PERSON	PURCHASE ORDER NO.	SHIP VIA	DATE SHIPPED	TERMS
	05/10/11		C1M	P10053	EXP MAIL	05/20/11	NET 30 DAYS

QUANTITY			ITEM NO. / DESCRIPTION	UNIT PRICE	EXTENDED PRICE
ORDERED	SHIPPED	BACKORDERED			
1	1		REAGENT CREDIT= REAGENT CREDIT ----- P.O.# P10053  *** THANK YOU FOR YOUR ORDER ***  INTERNATIONAL TRACKING NUMBER(S) FOLLOW:	2,648.27	-2,648.27
1	1		EXPRESS MAIL= 9471010200793803416140	0.00	0.00
1	1		EXPRESS MAIL= 9471010200793803423292	0.00	0.00
1	1		EXPRESS MAIL= 9471010200793803431785	0.00	0.00
1	1		EXPRESS MAIL= 9471010200793803437305	0.00	0.00

SOMETHING MISSING? PLEASE NOTIFY US WITHIN 7 DAYS.

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NUMBER OF CARTONS SHIPPED: \_\_\_\_\_  
 ORDER PACKED BY: \_\_\_\_\_



CUSTOMER COPY

SALE AMOUNT	6,772.88
SALES TAX	0.00
SHIP & HANDLING	0.00
<b>TOTAL DUE \$</b>	<b>6,772.88</b>

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## INVOICE

DATE	INV. NUMBER
05/20/11	11051375

REP969

FROM: **MLS**

4300 STINE RD., BLDG #209  
 BAKERSFIELD, CA 93313-2352

SOLD TO: Republic of Palau  
 Attn: Tasya Worswick  
 Procurement Office  
 PO BOX 6027 KOROR 96940  
 PALAU

SHIP TO: MINISTRY OF HEALTH/ATTN: SWEEN  
 YAMADA HEALTH ADMINISTRATOR  
 MEYUNS AVE #45 6027  
 KOROR PALAU 96940

ORDER NO.	ORDER DATE	ACCOUNT NUMBER	SALES REGION	PURCHASE ORDER NO.	SHIP VIA	DATE SHIPPED	TERMS
15450 17	05/10/11		C1M	P10053	FEDX INTL	PRTY05/20/11	NET 30 DAYS
QUANTITY		ITEM NO. / DESCRIPTION			UNIT PRICE	EXTENDED PRICE	
ORDERED	RECEIVED						

SOMETHING MISSING? PLEASE NOTIFY US WITHIN 7 DAYS.

DISCREPANCIES or PROBLEMS NOT REPORTED WITHIN 7 DAYS ARE SUBJECT TO A 20% RESTOCK FEE

NUMBER OF CARTONS SHIPPED: \_\_\_\_\_  
 ORDER PACKED BY: \_\_\_\_\_



CUSTOMER COPY

SALE AMOUNT	3,156.75
SALES TAX	0.00
SHIP. HANDLING	0.00
TOTAL DUES	3,156.75



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 TOLL FREE (800) 944-4062 • TOLL FREE FAX (800) 944-4032

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# INVOICE

DATE	INV NUMBER
05/20/11	11051375

REP969

FROM: **MLS**

4300 SHINE RD., BLDG #209  
 BAKERSFIELD, CA 93313-2352

SOLD TO: Republic of Palau  
 Attn: Tasya Worswick  
 Procurement Office  
 PO BOX 6027 KOROR 96940  
 PALAU

SHIP TO: MINISTRY OF HEALTH/ATTN: SWEEN  
 YAMADA HEALTH ADMINISTRATOR  
 MEYUNS AVE #45 6027  
 KOROR PALAU 96940

ORDER NO	ORDER DATE	ACCOUNT NUMBER	SALES PERSON	PURCHASE ORDER NO	SHIP VIA	DATE SHIPPED	TERMS
15450 17	05/10/11		C1M	P10053	FEDX INTNL	PRTY05/20/11	NET 30 DAYS
QUANTITY	UOM	DESCRIPTION	UNIT PRICE	EXTENDED PRICE			
1	1	ME5201=EA SDS SW ELECTRODE EasyRA NA	214.20	214.20			
1	1	ME5202=EA SDS SW ELECTRODE EasyRA K	214.20	214.20			
1	1	ME10523=EA SDS SW ELECTRODE EasyRA CL	214.20	214.20			
1	1	ME5204=EA SDS SW ELECTRODE EasyRA REFERENCE	193.80	193.80			
3	3	ME5423-0041=PK SDS SW ISE EasyRA Cal A 520mL/B 190mL	190.00	570.00			
1	1	ME10531=PK SDS SW TUBING ISE PUMP EasyRA 3/pk	63.25	63.25			
1	1	ME10729=EA SDS SW TUBING DILUENT BOTTLE EasyRA	76.00	76.00			
1	1	ME10724=EA SDS SW WASH CUP EasyRA	24.00	24.00			
1	1	ME10731=EA SDS SW TUBING CHEM WASTE PUMP EasyRA	32.00	32.00			
1	1	ME10735=EA SDS SW PROBE EasyRA	250.00	250.00			
1	1	ME2596=PK SDS SW SAMPLE CUP EasyRA 2.0mL 500/pk	55.10	55.10			
5	5	ME10700-4=PK SDS SW CUVETTE SEGMENT EasyRA 200/pk	250.00	1,250.00			
2	2	ME10700-4=PK SDS SW CUVETTE SEGMENT EasyRA 200/pk	0.00	0.00			
P.O.# P10053 *** THANK YOU FOR YOUR ORDER ***							

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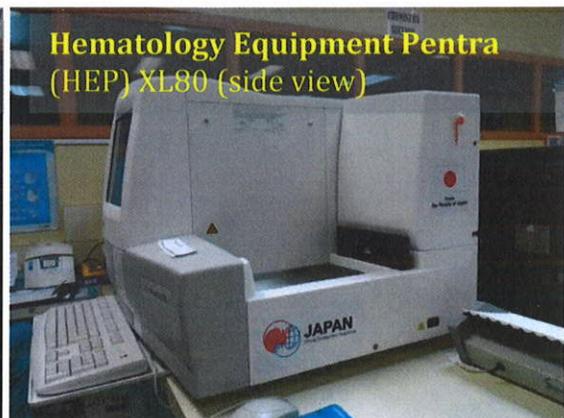
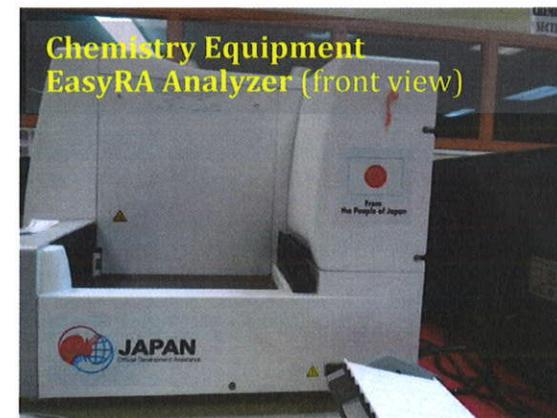
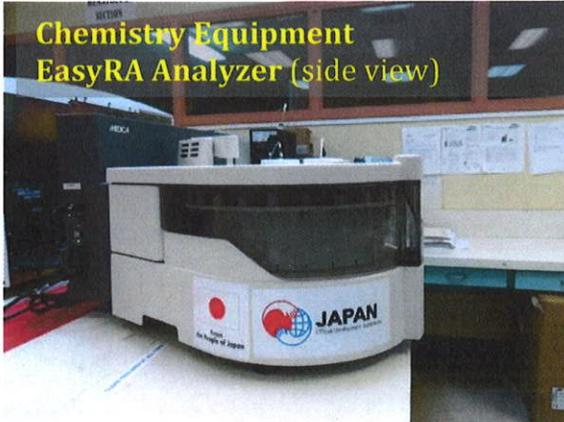
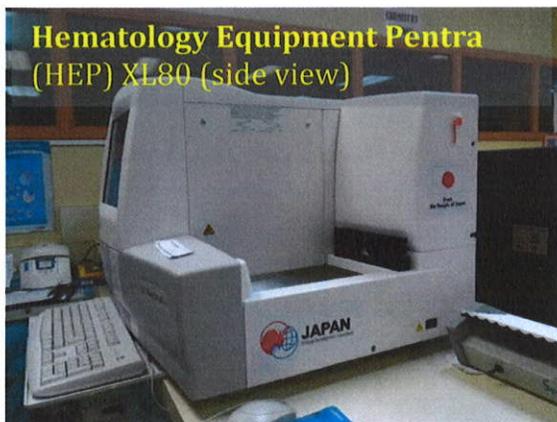
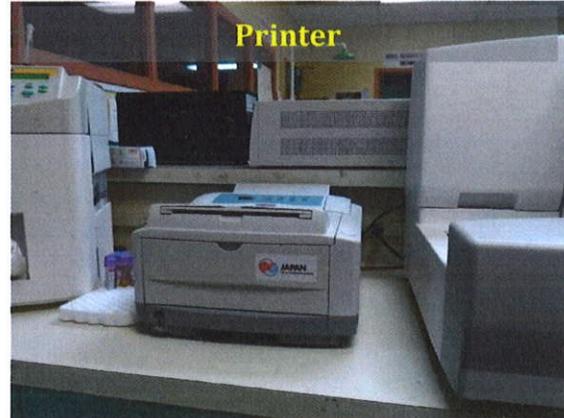
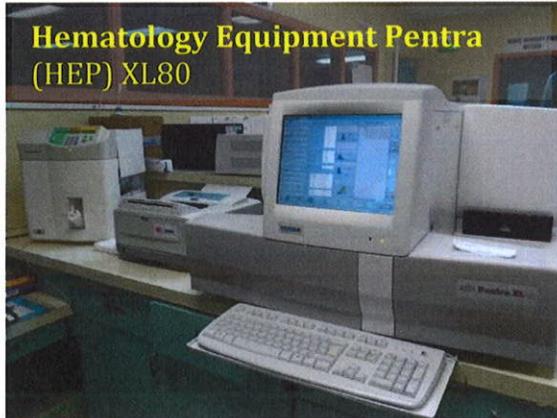
NUMBER OF CARTONS SHIPPED: \_\_\_\_\_  
 ORDER PACKED BY: \_\_\_\_\_



CUSTOMER COPY

SALE AMOUNT	
SALES TAX	
SHIP & HANDLING	
TOTAL DUES	

# LABORATORY



# NEONATAL



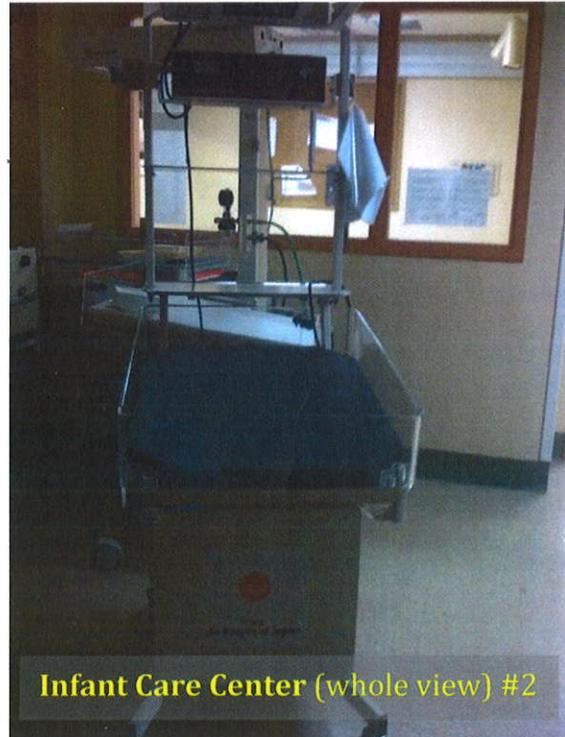
**Infant Incubator**



**Phototherapy Unit (back view)**



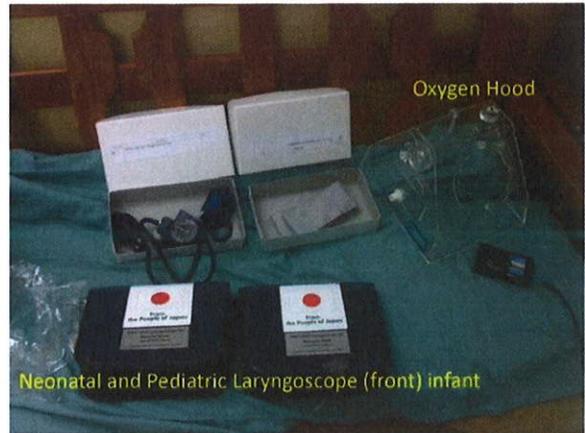
**Infant Care Center (whole view) #1**



**Infant Care Center (whole view) #2**



**Suction Unit (front view)**



Oxygen Hood

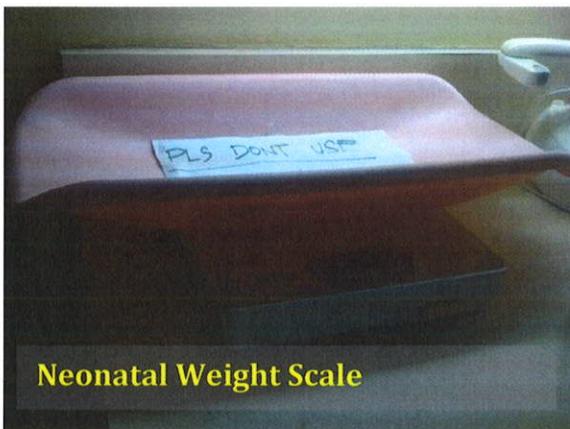
**Neonatal and Pediatric Laryngoscope (front) infant**



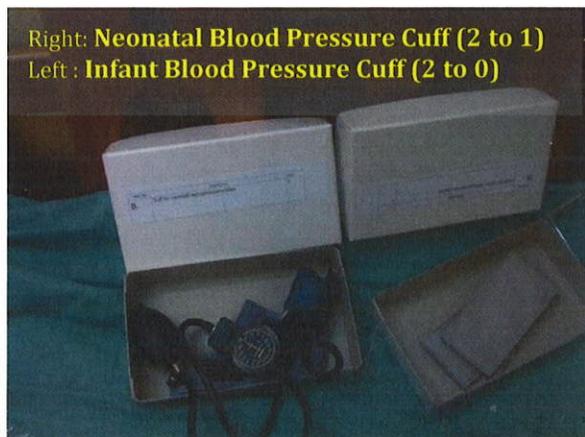
**Phototherapy Unit (front view)**



**Neonatal (left) & Pediatric (right) Laryngoscope**



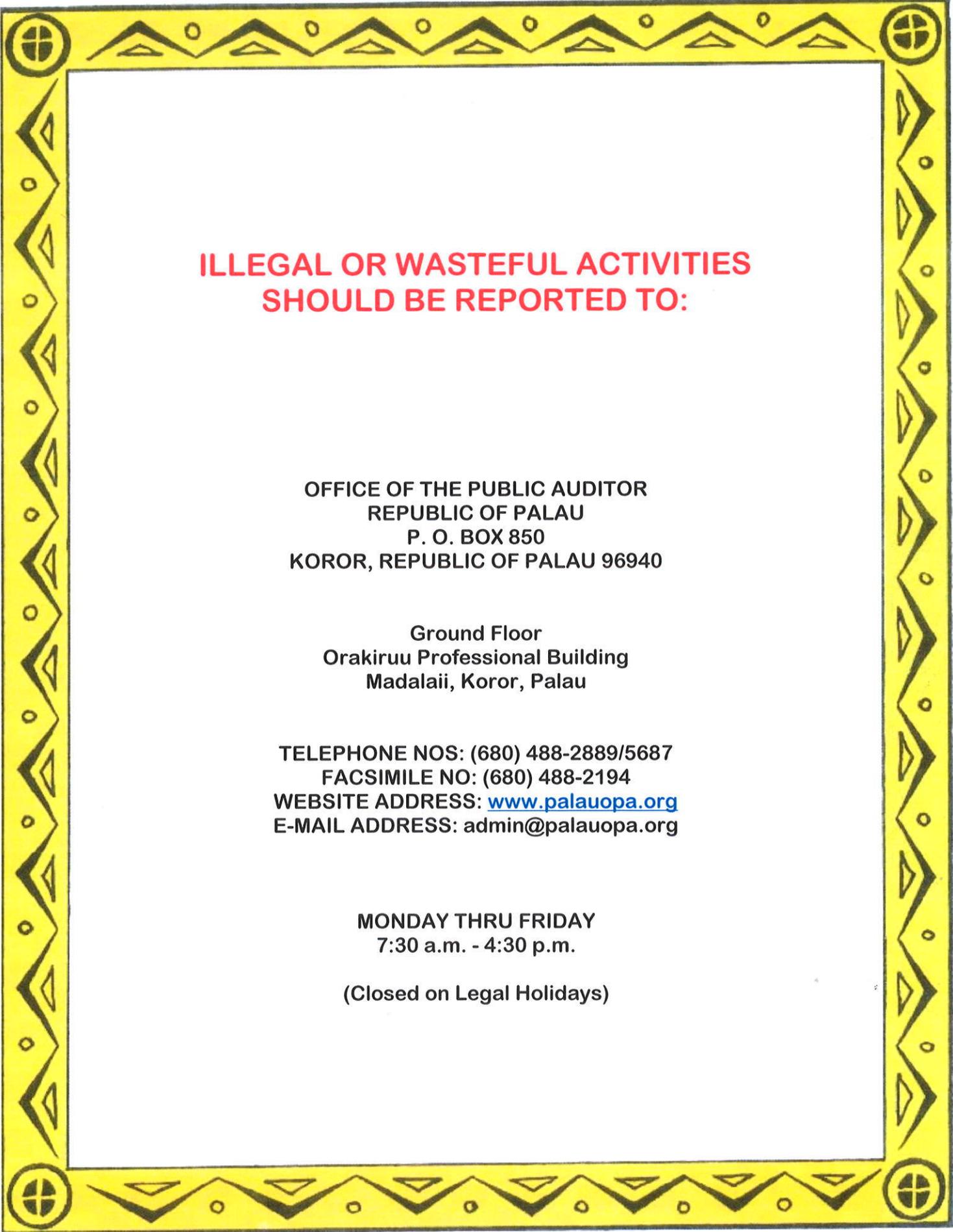
**Neonatal Weight Scale**



**Right: Neonatal Blood Pressure Cuff (2 to 1)  
Left : Infant Blood Pressure Cuff (2 to 0)**

## Neonatal Measuring Scale





**ILLEGAL OR WASTEFUL ACTIVITIES  
SHOULD BE REPORTED TO:**

**OFFICE OF THE PUBLIC AUDITOR  
REPUBLIC OF PALAU  
P. O. BOX 850  
KOROR, REPUBLIC OF PALAU 96940**

**Ground Floor  
Orakiruu Professional Building  
Madalaii, Koror, Palau**

**TELEPHONE NOS: (680) 488-2889/5687  
FACSIMILE NO: (680) 488-2194  
WEBSITE ADDRESS: [www.palauopa.org](http://www.palauopa.org)  
E-MAIL ADDRESS: [admin@palauopa.org](mailto:admin@palauopa.org)**

**MONDAY THRU FRIDAY  
7:30 a.m. - 4:30 p.m.**

**(Closed on Legal Holidays)**